IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS TYLER DIVISION

NOVELPOINT LEARNING LLC,

Plaintiff,

V.

Civil Action No. 6:10-cv-229

LEAPFROG ENTERPRISES, INC.,

VTECH HOLDINGS LIMITED,

VTECH ELECTRONICS NORTH AMERICA,

LLC,

and

SMALL WORLD TOYS,

Defendants.

<u>DEFENDANT VTECH ELECTRONICS NORTH AMERICA LLC'S RULE 7.1</u> <u>DISCLOSURE STATEMENT</u>

Pursuant to Federal Rule of Civil Procedure 7.1, Defendant VTech Electronics North America LLC states that it is a wholly owned subsidiary of VTech USA Holdings, LLC. No publicly held corporation owns 10 percent or more of VTech Electronics North America LLC's stock. VTech Electronics North America LLC and VTech USA Holdings, LLC are both related to VTech Holdings Limited, which is a publicly listed company in Hong Kong.

Respectfully submitted,

/s/ Morgan D. Vaughan

Darby V. Doan
Texas Bar No. 00793622
Morgan D. Vaughan
Texas Bar No. 24060769
HALTOM & DOAN
6500 Summerhill Road, Suite 100
Texarkana, Texas 75503
(903) 255-1000 telephone
(903) 255-0800 facsimile

Richard E. Dick
James R. Nuttall
Daniel S. Stringfield
MCANDREWS, HELD & MALLOY, LTD.
500 West Madison Street, 34th Floor
Chicago, Illinois 60661
(312) 775-8000 telephone
(312) 775-8100 facsimile
Attorneys for Defendant,

VTECH HOLDINGS LIMITED and Defendant-Counterclaimant, VTECH ELECTRONICS NORTH AMERICA, LLC.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3). All other counsel of record will be served by certified mail, return receipt requested, this 16th day of August, 2010.

/s/ Morgan D. Vaughan Morgan D. Vaughan